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10/690,145

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EXAMINER

WONG, ERIC TAK WAI

ART UNIT

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/690,145	<b>Applicant(s)</b> QUIGLEY ET AL.	
	<b>Examiner</b> ERIC WONG	<b>Art Unit</b> 4172	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 20 October 2003.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-80 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-80 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 20 October 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>3/29/2004</u> .   | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

1. Claims 1-80 are pending. The following is a non-final first Office action on the merits of claims 1-80.

#### ***Claim Objections***

2. The ordering of claims is objected to. Claim 45 refers to claim 2 but appears after a new independent claim and its dependent claims. Claims 46-49 depend from claim 45. A series of singular dependent claims is permissible in which a dependent claim refers to a preceding claim which, in turn, refers to another preceding claim. A claim which depends from a dependent claim should not be separated by any claim which does not also depend from said dependent claim. It should be kept in mind that a dependent claim may refer to any preceding independent claim. In general, applicant's sequence will not be changed. See MPEP § 608.01(n).

#### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

3. Claims 1-4, 23-26, 51-54 rejected under 35 U.S.C. 102(b) as being anticipated by “Online Payments Raising Host of Unresolved Issues” (Random Deposit).

#### **Regarding claim 1:**

Random Deposit teaches:

- providing an account, the account a first account type providing a first set of services, the first set of services requiring a first level of authentication (unverified account);

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- presenting an accountholder a one-time challenge/response mechanism; and if the accountholder clears the challenge, converting the account to a second account type for all time (see Abstract, verified account).

**Regarding claim 2:**

Random Deposit teaches wherein the challenge/response mechanism requires an accountholder to provide information known only to the accountholder; and wherein the second type provides the first set of services plus further services associated therewith, the further services requiring at least one further level of authentication, (see Abstract).

**Regarding claim 3:**

Random Deposit teaches either of the steps of creating the account when making an initial purchase; and creating a record in a subscriber database. Examiner notes the database is inherent in storing subscriber accounts.

**Regarding claim 4:**

Random Deposit teaches wherein subscribers include subscribers to any of an online service (see Abstract); and an ISP (Internet service provider).

**Regarding claims 23-26 and 51-54:**

The claims are rejected for the same reasons as claims 1-4.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 5, 14, 45, 47, 48, 27, 55, 36, 64, 76, 78, 79 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of Official Notice.

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**Regarding claim 5:**

Random Deposit teaches wherein the step of presenting a challenge/response mechanism comprises steps of: requesting a service from within the account of the first type that is only available from within an account of the second type; and prompting the accountholder to provide the information known only to the accountholder (see Abstract).

Random Deposit does not teach prompting for the information one time only. Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to modify the invention to include prompting for the information one time only. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 14:**

Random Deposit teaches configuring the challenge by an account provider, wherein configuring the challenge includes specifying information requested by the challenge.

Random Deposit does not expressly disclose specifying a permissible number of response attempts. Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). At the time of invention it was old and well known to one of ordinary skill in the art to specify a permissible number of response attempts (eg. an account lock-out after a certain number of incorrect login attempts). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 45:**

Random Deposit does not teach wherein said at least one further level of authentication comprises accessing said account from a client device previously established as trusted.

Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). At the time of

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invention, it was old and well known in the art to establish devices as trusted. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 47:**

Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include reestablishing a client as trusted if a trusted state is compromised. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 48:**

Official Notice is taken that it would have been obvious to one of ordinary skill in the art to modify the invention to include providing a visual indicator of a trusted state. At the time of invention, it was old and well known in the art to provide visual indicators. One skilled in the art would have been motivated to make the modification for the benefit of convenience.

**Regarding claims 27 and 55:**

The claims are rejected for the same reasons as claim 5.

**Regarding claims 36 and 64:**

The claims are rejected for the same reasons as claim 14.

**Regarding claims 76-79:**

The claims are rejected for the same reasons as claims 45-48.

5. Claims 46 and 77 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of Official Notice, further in view of Shafron et al. (US Pat. App. No. 20020186255).

**Regarding claim 46:**

Shafron teaches a second-level password (see Figure 15). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said

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feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

6. Claim 49 and 80 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of Official Notice, further in view of Blinn et al (US Pat. Appl. No. 2004/0260647).

**Regarding claims 49 and 80:**

Blinn et al. teaches managing authentication for various online products and sites (see [0005]).

Blinn et al. does not expressly teach providing a security controls panel that permits accountholders to change the information. Official Notice is taken that it would have been obvious to one of ordinary skill in the art to modify the invention to include providing said feature. At the time of invention, it was old and well known in the art to provide control panels to change information. One skilled in the art would have been motivated to make the modification for the benefit of convenience.

7. Claims 6-11, 15, 16, 28-33, 56-61, 37, 38, 65, 66 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of "User Agreement for Paypal Service" (User Agreement).

**Regarding claim 6:**

User Agreement, not Random Deposit, teaches wherein the account comprises an electronic wallet, the first type comprising a thin wallet wherein the first set of services comprises at least one low-risk task requiring a low security level, (see Section III subsection 1i). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 7:**

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User Agreement, not Random Deposit, teaches wherein the at least one low-risk task comprises any of:

making purchases not exceeding a predetermined purchase amount, (see Section III subsection 1i); making transactions using default account information; and making purchases at sites requiring only the first level of authentication. It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 8:**

User Agreement, not Random Deposit, teaches wherein the second type comprises a full wallet and the further rights comprise additional tasks requiring greater security than the low level of security, (see Section III subsection 1i). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 9:**

User Agreement, not Random Deposit, teaches wherein the additional tasks comprise any of:  
editing the default account information;

editing account preferences;

making purchases that exceed a predetermined purchase amount, (see Page 5 section III subsection 1i);

and making purchases at sites that require the at least one level of further authentication.

It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been



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motivated to make the modification for the benefit of increased security.

**Regarding claim 10:**

User Agreement, not Random Deposit, teaches a step of authenticating at the first level to gain access to the first account (See Section 5 subsection 6e). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 11:**

User Agreement, not Random Deposit, teaches wherein authenticating at the first level comprises providing a user ID and a first-level password (See Section V subsection 6e). It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 15:**

User Agreement, not Random Deposit, teaches wherein the step of converting the account comprises steps of:

creating a record in a wallet account database;

providing notice of a privacy policy; and

consenting to the privacy policy by the account holder (see Paragraph 3).

It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 16:**

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User Agreement, not Random Deposit, teaches creating a second-level challenge. Examiner interprets second-level challenge as the challenge/response mechanism used to convert the account. It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claims 28-33 and 56-61:**

The claims are rejected for the same reasons as claims 6-11.

**Regarding claims 37 and 65:**

The claims are rejected for the same reasons as claim 15.

**Regarding claims 38 and 66:**

The claims are rejected for the same reasons as claim 16.

8. Claims 12, 13, 34, 35, 62, 63 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of User Agreement, further in view of Official Notice.

**Regarding claim 12:**

User Agreement teaches storing credit card numbers in the first account. User Agreement does not expressly disclose the method of claim 2 wherein the information known only to the account holder comprises at least a portion of a credit card number stored in the first account. Official Notice is taken that it would have been obvious to one of ordinary skill at the time of invention to modify the invention to include said feature(s). At the time of invention verifying information known only to the account holder wherein the information comprises at least a portion of a credit card number was old and well known in the art (eg. verification of last four digits or security code). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 13:**

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Random Deposit does not expressly teach if the accountholder doesn't clear the challenge, allowing a predetermined number of attempts to enter the information; and if the accountholder fails the predetermined number of attempts, allowing the accountholder to provide a new credit card number; and presenting a challenge based on the new credit card number. Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claims 34 and 62:**

The claims are rejected for the same reasons as claim 12.

**Regarding claims 35 and 63:**

The claims are rejected for the same reasons as claim 13.

9. Claims 17, 18, 39, 40, 67, 68 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of User Agreement, further in view of Shafron.

**Regarding claim 17:**

Shafron, not Random Deposit or User Agreement, teaches wherein the step of creating a second-level challenge comprises any of the steps of:  
setting a second-level password (see Figure 15); and  
configuring a security question by the accountholder.

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 18:**

Shafron, not Random Deposit or User Agreement, teaches wherein the at least one further level of authentication requires any of the steps of:

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providing the second-level password; and

clearing the security question.

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claims 39 and 67:**

The claims are rejected for the same reasons as claims 17 and 18.

**Regarding claims 40 and 68:**

The claims are rejected for the same reasons as claims 17 and 18.

10. Claims 19-22, 41-44, 69-72 rejected under 35 U.S.C. 103(a) as being unpatentable over Random Deposit in view of User Agreement, further in view of Shafron, further in view of Official Notice.

**Regarding claim 19:**

Random Deposit does not expressly disclose providing a user interface accessible only to holders of accounts of the second type to edit account information and preferences.

Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). At the time of invention, it was old and well known in the art to provide separate user interfaces to users with different privilege levels (eg. Microsoft Windows administrator account). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 20:**

User Agreement teaches wherein the account information comprises any of:

first name;

middle initial;

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last name;  
credit card type;  
credit card number;  
credit card expiration date;  
billing address;  
city;  
state;  
postal code;  
country;  
daytime phone; and  
evening phone.

(see Section VIII subsection 1)

It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of convenience.

**Regarding claim 21:**

User Agreement teaches wherein first account type comprises a thin wallet, the thin wallet comprising a record in a subscriber database, and wherein the second account type comprises a full wallet, the full wallet comprising the record in the wallet database.

User Agreement does not expressly disclose wherein full wallet is initially populated with information from the thin wallet. Official Notice is taken that it would have been obvious to one of ordinary skill in the art to modify the invention to include said feature. At the time of invention, it was old and well known in the art to populate new records with old records, (eg. database tables). One skilled in the art would have been motivated to make the modification for the

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benefit of efficiency.

**Regarding claim 22:**

Random Deposit teaches a step of providing a wallet server, wherein the wallet server comprises a web server having a wallet application running thereon, the wallet server operative to pull account information from either the subscriber database or the wallet database (see Abstract).

**Regarding claims 41-44 and 69-72:**

The claims are rejected for the same reasons as claims 19-22.

11. Claim 50 rejected under 35 U.S.C. 103(a) as being unpatentable over Shafron in view of Random Deposit.

**Regarding claim 50:**

A system for converting an electronic wallet comprising:

Shafron teaches:

- a wallet server (see [0130]);

- a wallet database (see [0130]);

- a subscriber database (see Abstract);

- wherein the wallet server is in communication with the wallet and the subscriber databases; and

- a client in communication with the wallet server, wherein a wallet accountholder requests services from the wallet server (see Figure 16);

Random Deposit, not Shafron, teaches wherein the server includes means for converting the electronic wallet. It would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention above with said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased security.

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12. Claims 73-75 rejected under 35 U.S.C. 103(a) as being unpatentable over Shafron in view of Random Deposit, further in view of Official Notice.

**Regarding claim 73:**

Shafron teaches relaying data between wallet server and subscriber database. Shafron does not expressly teach a second server in order to do so. Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased efficiency.

**Regarding claim 74:**

The references as applied to claim 73 do not expressly teach a router, the router operative to link at least a first and a second network, wherein the wallet server occupies the first network and wherein the second server and the subscriber database occupy the second network.

Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased efficiency.

**Regarding claim 75:**

Shafron does not expressly teach wherein the wallet database occupies said second network.

Official Notice is taken that it would have been obvious to one of ordinary skill in the art at the time of invention to have modified the invention to include said feature(s). One skilled in the art would have been motivated to make the modification for the benefit of increased efficiency.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ERIC WONG whose telephone number is (571)270-3405. The examiner can normally be reached on Monday-Friday 7:30AM-5:00PM, alternating Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tom Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/THOMAS A DIXON/  
Supervisory Patent Examiner, Art Unit 4172

Eric Wong  
Examiner  
Art Unit 4172

Jan 2008